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Letter dated 3 March 2003 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 13 November 2002 (S/2002/1255).

The Counter-Terrorism Committee has received the attached third report from Norway submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

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Annex

Letter dated 12 February 2003 from the Permanent Representative of Norway to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

On instructions from my Government, I hereby have the honour of enclosing a further report with information on the questions and comments raised by the Counter-Terrorism Committee in its letter dated 30 October 2002 (see enclosure).

My Government stands ready to provide the Committee with further reports or information, as necessary or if requested to do so by the Committee.

(*Signed*) Ole Peter **Kolby**
Ambassador
Permanent Representative

Enclosure

Further report of Norway to the Counter-Terrorism Committee in reply to the letter dated 30 October 2002

Introduction

Reference is made to the second Norwegian report, subparagraph 3 (g), in which we expressed that we considered withdrawing our reservation to the 1977 European Convention on the Suppression of Terrorism. Norway has now withdrawn the reservation.

Subparagraph 1.2

Norway agrees that an obligation to report suspicious financial transactions contributes to an effective implementation of paragraph 1 of the resolution.

The Act of 10 June 1988 No. 40 on Financing Activity and Financial Institutions, section 2-17, establishes an obligation to report such transactions to the proper authorities (a copy of the section is enclosed). Paragraph 3 states that if a financial institution suspects that a transaction is linked to the proceeds of any criminal offence which can entail a higher penalty than imprisonment for six months (including the Penal Code section 147 a and 147 b), it is obliged to carry out further enquiries to confirm or refute its suspicion. Furthermore, paragraph 4 states that should there be any suspicion of a contravention that is not refuted through enquiries pursuant to the third paragraph, the financial institution is obliged, on its own initiative, to forward information on all circumstances that may point towards such a contravention to the National Authority for Investigation and Prosecution of Economic and Environmental Crime, ØKOKRIM. The financial institution and its employees are obliged at the request of ØKOKRIM to provide ØKOKRIM with all the necessary information concerning the possible contravention.

According to section 1-3, these obligations apply to, with some minor exceptions, financial institutions, in other words companies, undertakings or other institutions, which carry on financing activity. Furthermore, section 2-1 states that a company or other institution that is the parent company in a financial group or the parent company in part of such group is also regarded as a financial institution. In addition to financial institutions, the provisions of section 2-17 apply to:

- Norges Bank (the Central Bank of Norway);
- The Government Postal Enterprise (Norway Post) when it performs services for a financial institution;
- Management companies pursuant to the Securities Funds Act (No. 52 of 12 June 1981);
- The following types of broking undertakings:
  - (a) investment firms pursuant to the Securities Trading Act;
  - (b) insurance broking undertakings;
  - (c) project broking undertakings;

(d) currency broking undertakings;

• and some other institutions.

Any person who wilfully contravenes these obligations shall be liable to fines or imprisonment not exceeding one year, according to section 5-1. Accomplices shall be liable to the same penalty.

In order to strengthen and expand the obligation to report suspicious transactions, the Norwegian Ministry of Finance set up a working-group to propose new pieces of legislation. The working-group has finished its deliberations, and proposes that auditors, external accountants, tax advisors and real estate agents shall be bound by similar obligation as mentioned in the Act of 10 June 1988 No. 40 on Financing Activity and Financial Institutions, sections 2-17. Furthermore, these obligations shall also apply for attorneys and other independent legal professionals when they assist in the planning or execution of transactions for their client concerning a number of scenarios, and when they are acting on behalf of and for their client in any financial or real estate transaction.

Any person who contravenes these provisions shall, according to section 13 of the proposal, be liable to fines or imprisonment for a term not exceeding one year. Accomplices shall be liable to the same penalty.

The proposal has been distributed for comments, and the Ministry of Finance is planning to submit a proposal, based on the proposal by the working-group, to the Parliament (Stortinget) by spring 2003. If the Parliament then passes the bill, it will probably enter into force during the summer.

Subparagraph 1.3

The procedure that leads to the freezing of terrorist funds upon request from a foreign state has been set out in the Act of 13 June 1975 No. 39 relating to Extradition of Offenders etc., Chapter V, and in the amendments to the Criminal Procedure Act Chapter 15 b.

According to section 24, paragraph 2, of the Act relating to Extradition of Offenders etc., the request shall be submitted to the Norwegian Ministry of Justice and the Police, unless otherwise stipulated in an agreement with the foreign state. The request shall contain information as to the nature, time and place of the punishable offence. It may only be complied with if it is established that a decision has been made to use measures of coercion issued in accordance with the legislation of the requesting state.

The Ministry may reject the request forthwith if it does not comply with the conditions of paragraph 2, or if it is obvious that it will be rejected. If the request is not refused under this provision, the request shall be sent to the chief or the deputy chief of the Police Security Service or to a Public Prosecutor. When the court considers whether there is legal justification for coercive measures, it shall also consider whether the conditions of this section are fulfilled.

The further procedure is set out in the new chapter 15 b of the Criminal Procedure Act, which was enclosed in the previous report.

Subparagraph 1.4

According to section 12 paragraph 3 of the Penal Code, section 147 b applies to acts committed abroad by any Norwegian national or any person domiciled in Norway. Furthermore, section 12 paragraph 4 states that section 147 b also applies abroad to acts committed by a foreigner.

Subparagraph 1.5

According to section 12 paragraph 4 of the Penal Code, section 147 a applies to an act committed abroad by a foreigner. The reference to section 147 a is not limited to a part of the section, but refers to all paragraphs in the section. Thus, section 147 a is applicable with regard to planning and preparation of a terrorist act when the act has been committed abroad by a foreigner.